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STPDTS

NEA/MAG (PATTERSON/HAYES); DRL (JOHNSTONE/KLARMAN) LONDON AND PARIS FOR NEA WATCHER

E.O. 12958: DECL: 04/21/2019 TAGS: PGOV PREL PINR KDEM KPAO TS

SUBJECT: PRESIDENT'S SON-IN-LAW BUYS CONTROLLING SHARE OF

PRIVATE MEDIA GROUP

REF: A. TUNIS 108 **1**B. 08 TUNIS 847

Classified By: Ambassador Robert F. Godec for reasons 1.4 (b) and (d)

- Press reports confirm the recent rumor that President Ben Ali's son-in-law Sakhr El Matri is in the process of buying the Dar As-Sabah media group. Dar As-Sabah is the parent company of the French-daily Le Temps and the Arabic-daily As-Sabah, two of Tunisia,s largest daily newspapers. The now defunct independent magazine 1, Expression used to also be part of this media family. purchase expands El Matri, s media holdings, which already include the Quranic Zeitouna radio station and a sister television station said to be on the way.
- (C) Dar As-Sabah was previously owned by members of the Cheikhrouhou family, whose scion Habib Cheikhrouhou founded the media empire in 1951. El Matri bought the shares of Fatma, Azza, and Emna Cheikhrouhou, giving him a roughly 40 percent stake in the company. He then bought the shares of Moncef and Raouf Cheikhrouhou giving him 70 percent ownership of the company. The lone holdout is Taoufik Cheikhrouhou, but according to press reports he is willing to sell under the same terms as his siblings. We do not know whether El Matri paid market rates for the shares in Dar Assabah. We understand Taoufik Cheikhrouhou was interested in buying his relatives' shares to maintain his family's control of the company. Normal practice gives preference to existing shareholders during a potential sale, thus either El Matri offered to pay more than Taoufik, or he leveraged his family connections to finalize the sale.

Comment

(C) El Matri's purchase of Dar As-Sabah could have significant repercussions. Most of Tunisia, s major publications are already either government-owned or closely affiliated with the GOT or the ruling party. El Matri,s share of Dar As-Sabah means that the president,s family now has control of one of the larger private media outlets as well. Le Temps and As-Sabah had previously been independent enough to push the editorial envelope on &taboo8 topics, such as opposition party activities. For example, Le Temps recently published a long interview with Maya Jribi, Secretary General of the independent opposition Progressive Democratic Party. It is unclear whether El Matri will feature independent opposition leaders in the same manner as his predecessors. Another unknown is whether El Matri, who owns a religious radio station, will feature photos of women wearing the hijab on the cover of Le Temps or As-Sabah. Foreign Minister Abdallah wields significant influence in determining what is allowed in the media, and is not a proponent of anything that would promote "sectarian dress" in the press. The Embassy will follow with interest any

evolution in the editorial line of the Dar As-Sabah media products. End Comment. Godec